

[REPUBLIC ACT NO. 509, June 13, 1950]

AN ACT DECLARING NATIONAL POLICY, AUTHORIZING THE PRESIDENT OF THE PHILIPPINES FOR A LIMITED PERIOD TO FIX CEILING PRICES OF COMMODITIES AND TO PROMULGATE RULES AND REGULATIONS REGARDING PRICES OF COMMODITIES TO EFFECTUATE SUCH POLICY, AND AUTHORIZING THE APPROPRIATION OF A CERTAIN SUM FOR THE PURPOSE.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. It is hereby declared to be the national policy during the effectivity of this Act to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulation, and profiteering, affecting the supply, distribution and movement of both imported and locally manufactured or produced foodstuffs, textile, clothing, fuel, light and illumination, footwear, drugs, medicines, medical, dental and optical supplies, paper and paper products, school supplies, building materials, agricultural and industrial machinery, fuel and lubricants, and other articles, goods or commodities control of the price of which may be deemed essential to the public interests.

SEC. 2. There is hereby created a Price Administration Board which shall be composed of a Chairman, a Vice-Chairman who shall act as Price Administrator, who shall be the General Manager of the Philippine Relief and Trade Rehabilitation Administration, and three members, one to represent the consumers, another to represent the producers, and another to represent the distributors, who shall be appointed by the President of the Philippines with the consent of the Commission on Appointments. The Price Administrator shall be the Executive Officer of a Board.

SEC. 3. Whenever the price or prices of a commodity or commodities mentioned in section one hereof have risen or threaten to rise to an extent or in a manner inconsistent with the national policy declared in said section, the president of the Philippines, upon recommendation of the Price Administration Board, shall establish, by regulation or order, such maximum price or prices as shall be generally fair, reasonable and equitable, and promulgate such rules and regulations as may be deemed necessary to effectuate the purpose of this Act: *Provided, however,* That the price of palay, rice and corn shall be fixed by the President upon the recommendation of the Rice Emergency Board, In determining such maximum price or prices, the President, through the Price Administration Board, shall, insofar as practicable, advise and consult with representative members of the industry which will be affected through a committee or committees, either national or regional, or both, of such industry. In the determination of such maximum prices, the President and the Price Administration Board shall take into account relevant factors such as speculative fluctuations, general increases or decreases in cost of production,

distribution, transportation, storage, and other relevant factors affecting prices. Any regulation or order issued under this section may be established in such form and manner, may contain such classifications and differentiations and may provide for such adjustments and reasonable exceptions as are necessary and proper in order to effectuate the purposes of this Act.

SEC. 4. Whenever any article, goods or commodity is in short supply, or whenever there is an uncontrolled inflation of prices, the President, through the Price Administration Board or any office or officer he may designate, may, if public interests demand, order the sale thereof by owner at ceiling prices giving first priority for its purchase to the Philippine Relief and Trade Rehabilitation Administration or order the sale by the owner thereof under the supervision of the Board, office or officer so designated, to the public of such article, goods or commodity.

SEC. 5. Whenever any article, goods or commodity is in short supply, or whenever there exists reasonable ground to believe that it will disappear in the open market, or whenever there is an uncontrolled inflation of prices, the PRATRA or any agency or instrumentality of the government including any government-owned or controlled corporation may, with the approval of the President, import directly such article, goods or commodity for distribution in the local market through such channels as it may choose, and such importation shall not be subject to any quota requirement provided for by any economic control legislation.

SEC. 6. In order to facilitate the determination of the maximum selling price of any article, goods or commodity and for the purpose of enforcing the provisions of this Act, the Price Administration Board and the local price administration committees shall, directly or through the commercial agents, the Philippine Relief and Trade Rehabilitation Administration, Internal Revenue Agents, Supervisors of the National Cooperative Administration, provincial, city and municipal treasurers and city and municipal police forces have the power: (a) to examine bills of lading, bills of sale, invoices, books, records and other pertinent documents owned or in the possession of any importer, producer, manufacturer, wholesaler or retailer; and (b) upon the issuance of a search warrant, to inspect premises, bodegas or storerooms where stocks of articles, goods or commodities whose prices are controlled are kept. The Board and the local price administration committees may, *subpoena* or *subpoena duces tecum*, require any person to appear and testify or to appear and produce books, records and other documents, or both, and in the case of contumacy, or refusal to obey a *subpoena* or *subpoena duces tecum* issued to any such person, the municipal court or the justice of the peace court of the city or municipality in which such importer, wholesaler, retailer, manufacturer or producer is found or resides or transacts business, upon application, and after notice to any person and hearing, shall have jurisdiction to issue order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court shall be punished by such court as contempt thereof.

SEC. 7. Within thirty days after the approval of this Act, all importers, manufacturers or producers, wholesalers and retailers of the articles, goods or commodities mentioned in section one hereof and of other merchandise the price of which has been placed under control shall file with the Price Administration Board or its duly authorized representative a complete and true inventory of their stock under

oath. Thereafter, all expected shipment of goods, articles or commodities by importers, shall be declared under oath to the Board or its duly authorized representative within five days after receipt of the corresponding bills of lading and other shipping documents.

Importers, manufacturers or producers and wholesalers of articles, goods or commodities of the categories mentioned in section one hereof and of other articles, goods or commodities the price of which has been placed under control shall transmit to the Price Administration Board or its authorized representative a monthly report of their sales under oath.

SEC. 8. Any importer, manufacturer or producer, wholesaler or retailer who has in his possession and/or control any of the articles, goods or commodities mentioned in section one hereof or other merchandise the prices of which are under control, in excess of the quantities reported by him under section seven of this Act shall be deemed guilty of hoarding for which he shall be prosecuted and punished under this Act. The excess stock shall be considered proof of the crime and may be confiscated by the Price Administration Board and immediately disposed of as property of the state in such manner as will best serve the public interest, and the proceeds of such sale shall be deposited with the court of justice having jurisdiction over the criminal case for violation of this section.

Upon conviction of the owner or possessor of such excess stock, the said confiscation shall be considered as penalty in addition to that prescribed in section twelve hereof, but in the event the owner or possessor accused of hoarding is found innocent, the said excess stock shall, returned to him or if already sold, the proceeds of the sale shall be returned to him without any deduction.

In order to avoid the transfer of goods, articles, or commodities the prices of which have been placed under control, by an importer, manufacturer, producer, wholesaler or retailer, to persons who are not licensed merchants for the purpose of evading the provisions of this Act, the Price Administration Board shall, if in its judgment circumstances demand, determine and fix the maximum quantity of stock which any person may keep or possess for his use and that of his dependents for a given period, thereby requiring him to report under oath to the Price Administration Board or its duly authorized representative the quantity of articles, goods or commodities in his possession or under his control in excess of the allowable stock granted him by the Board. Any excess stock not reported as required by this section, shall make the owner or possessor thereof liable to criminal prosecution for violation of this Act and the said excess stock shall be considered commandeered or confiscated depending upon the outcome of the criminal case.

SEC. 9. The Price Administration Board or its duly authorized representative shall, upon information made under oath that any person, corporation, partnership or association has in his or its possession and/or control any of the articles, goods or commodities the prices of which have been placed under control by the said Board, in excess of the quantities reported by him as required in this Act, and, upon the issuance of a search warrant, direct agents of the Philippine Relief and Trade Rehabilitation Administration, Bureau of Internal Revenue Agents, commercial agents of the Bureau of Commerce, supervisors of the National Cooperative Administration, or such other government agents, as may be authorized in writing by the said Board, to enter and inspect factories, warehouses stores or any